

2021-P00099

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
PROFESSIONAL SERVICES CONTRACT

-----APPEAR-----

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended (Act 83), represented in this act by its Chief Executive Officer/Executive Director, Efran Paredes Maisonet, of legal age, married, and resident of Bayamón,, Puerto Rico.-----

AS SECOND PARTY: Guidehouse, Inc., (Contractor), a Corporation organized and existing under the laws of Delaware, represented in this act by its Partner, Hector Artze, of legal age, married, and resident in Coral Gables, Florida, authorized by virtue of Certificate of Incumbency dated January 5, 2021.-----

Both PREPA and Contractor are herein individually referred to as a Party and collectively referred to as the Parties. -----

-----WITNESSETH-----

WHEREAS, PREPA, by virtue of Act. 83 has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs and operations of PREPA;-----

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Contract, hereinafter stated, the Parties agree themselves, their personal representatives, and successors to enter into this Contract under the following:

-----TERMS AND CONDITIONS-----

Article 1. Scope of Services

1.1 PREPA engages the Contractor to perform all required analyses, evaluation and tasks necessary for the completion of regulatory work described in the following:-----

The advisory services shall consist of assisting PREPA in work related to regulatory oversight by the Puerto Rico Energy Bureau (PREB) of PREPA's ongoing operations and regulatory considerations of the restructuring and/or transformation of PREPA and the electric energy sector in Puerto Rico. In particular, PREPA is seeking assistance in responding to PREB's orders and resolutions. Technical professional services may be associated with: rate cases, regulations related to rates; IRP cases; the preparation of regulatory submissions; compliance with ongoing filing requirements; assisting in responding to formal and informal investigations and proceedings, preparation of testimony, responses to requests of information, preparation for, or participation in technical hearings, and other proceedings. Additionally, PREPA requests assistance in responding to the Federal Oversight and Management Board (FOMB) which from time to time may request information or require filing of plans as part of Act 26-2017, known as "Act for Compliance with the Fiscal Plan" which establishes new rate requirements and rate revisions, beyond those stated by the PREB.-----

The technical professional advisory services sought will be based on identified technical and strategic advice and analysis, as requested and established by PREPA. These shall include but are not limited to the following tasks:-----

- a. Technical assistance for PREPA's compliance regarding PREB's Orders and Regulations, including but not limited to the following topics:
 - 1) Development of regulatory support for Demand Response and Energy Efficiency measures
 - 2) Retail and wholesale electric wheeling;
 - 3) Wholesale and retail transmission rates;
 - 4) Unbundling of Assets;
 - 5) Microgrids;
 - 6) Load Retention Rider;
 - 7) Transition or Provisional Charge (ϕ /kWh increase);
 - 8) Public Lighting Rates to include LED technology;
 - 9) Electric Vehicles rate;
 - 10) Pricing Revision as a result of the implementation of the Securitization Charge;
 - 11) Formula Rate Mechanism (FRM);
- b. Update of Embedded Cost of Service Study and Marginal Cost Study
- c. Support during PREB's Public Hearings and Technical Conference Calls;
- d. Any other regulatory related requests made by PREPA which are detailed in a written change order or amendment containing any adjustment to the Contract Amount and signed by PREPA and Contractor.

- 1.2 At the direction of PREPA, the Contractor may be required to work with other consulting, legal, investment, or other type of firms. The Parties agree to discuss such assignment in advance, so that all the Parties have a clear understanding as to their responsibilities.-----
- 1.3 Any other service that is necessary or convenient to fulfill the purpose of this Contract and that is contained in the RFP 108915- Request for Proposals for Professional Services Rate Requirements and Regulatory Aspects.-----
- 1.4 All services described in this Article 1 shall be defined in this Contract as the "Services". The Services will be provided on and subject to the terms and conditions set forth in this Contract and in accordance with the RFP 108915 - Request for Proposals for Professional Services Rate Requirements and Regulatory Aspects, the Contractor's proposal, presentation and additional responses provided during the evaluation process, copies of which are incorporated and made part hereof as an appendix to this Contract. Any changes to the scope of the Services will require a change order or amendment containing description of the scope and any adjustment of the Contract Amount, signed by both parties.-----
- 1.5 The Contractor shall provide PREPA's system study groups with the models, data, and corresponding trainings to perform similar modeling studies internally, provided that the PREPA system study groups, or other relevant personnel, will complete the training in parallel with the execution of the project. 1.6 PREPA agrees to provide the Contractor with all information necessary to perform the services under this

Contract and those material facts that the Contractor may reasonably require in order to provide its services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the documents, data, other information material facts provided to the Contractor, which are under its control, are true and complete, and do not constitute misleading or inaccurate information; and the Contractor shall be entitled to rely on the accuracy and completeness of the documents, data, other information and material facts.-----

Article 2. Services Coordination

All the Services of Contractor in relation to the terms and conditions of this Contract will be coordinated through Eng. Alfonso Baretty Huertas, PREPA’s Planning and Environmental Protection Acting Director or the person delegated by him.-----

Article 3. Contract Assignment or Subcontract

The Contractor shall not assign nor subcontract its rights and obligations under this Contract, except in the event PREPA give written authorization for such actions. Provided, that no subcontract shall be considered for PREPA’s approval, except when the following requirements are met: (1) the Contractor delivers to PREPA a copy of the subcontract, (with commercial terms redacted), not less than ten (10) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Contractors’ rights under the subcontract, in the event that PREPA declares the Contractor in breach or default of any of the Contract terms and

conditions;-----
and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Contractors' obligations under the Contract (*mirror image clause*), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract. A request to subcontract shall specify the issues or matters that will be referred to the subcontractor. These services shall be paid as part of the Contract Amount, as stated in Article 6, Payment. -----

Article 4. Contract Term

This Contract shall be in effect from the date of its execution until June 30, 2021 (The Contract Period). The Contract may be extended, for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon by both Parties.----- . If no such amendment is executed and all necessary approvals have not been obtained prior to the end of the Contract Period, Contractor shall cease all Services as of the expiration of the Contract Period.-----

Article 5. Contract Termination

5.1 PREPA shall have the right to terminate this Contract, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to the Contractor. If notice is given, the Contract shall terminate upon the expiration of the thirty (30) days and PREPA shall be obligated

to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. The Contractor shall have no further right to compensation except for what has been accrued for services rendered under the Contract until said date of effective termination.-----

5.2 PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duties or noncompliance by the Contractor, without prior written notice and such negligence, dereliction or noncompliance has not been remedied by Contractor after fifteen (15) days' written notice. -----

5.3 The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that after the front-end transition period of a Partnership Contract, Sale Contract, or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest in this Contract as permitted by applicable law and at any time, without Consultant's consent, and without cost, expense, or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA

shall notify Consultant no later than thirty (30) days before the effective date of any such Transfer, and provided that such successor in interest agrees to be bound by the terms of this Contract.-----

The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period. -----

Article 6. Payment

6.1 In accordance with the terms and conditions contained herein, PREPA agrees and Contractor accepts that the total amount to be paid under the Contract shall not exceed a cumulative amount of \$1,200,000, including reimbursable expenses, if any (the "Contract Amount"). In case the Parties foresee that the expenses for Services related to testimony will require an increase in the Contract Amount, then an amendment to that effect will be promptly executed. All payments to be made under this Contract will be charged to account 01-4019-92319-556-673. PREPA will only pay for Services already rendered before the submitted invoice date. PREPA will not be required to make advance payments for any future service to be rendered by Contractor under the Contract.-----

6.2 Nothing herein shall preclude the Parties from agreeing to increase said amount in writing and signed by both Parties.-----

6.3 PREPA will pay for the Services rendered by Contractor according to the following hourly rates:-----

Level	Consulting Hourly Rates	Testimony Hourly Rates
Partner	\$544	\$680
Director	\$442	\$553
Associate Director	\$387	\$484
Managing Consultant	\$323	\$404
Senior Consultant	\$281	\$351
Consultant	\$217	\$271

Should the Contractor assign another person or professional category to attend to PREPA's matters pursuant to this Contract, the Contractor shall promptly send PREPA an amended to include such person's name/professional category, position and rate, as well as request approval from PREPA. Any person engaged by the Contractor after the execution of the Contract must comply with the professional requirements, credentials and qualifications establishes in the RFP 108915 - Request for Proposals for Professional Services Rate Requirements and Regulatory Aspects. The Contractor shall provide evidence of those requirements and credentials (Ex: professional license, experience, etc.) before the person/professional commences to work upon request of PREPA.-----

6.4 The Contractor shall immediately notify PREPA when the billing under the Contract amounts seventy-five percent (75%) of the Contract Amount. Once this notification has been issued, the Contractor, in coordination with PREPA, will ensure that no services will be rendered in excess of the Contract Amount, except that a written

amendment is agreed upon by both Parties. In addition, the Contractor shall present an itemized list of the remaining billable Services under the Contract.-----

Article 7. Fees, Expenses and Disbursements

The Contractor needs the previous approval of PREPA to incur any reimbursable expense in or outside Puerto Rico.-----

- 7.1 PREPA should not be billed for (a) time spent in processing conflict searches, or administrative time in preparing billing statements, or in responding to PREPA inquiries concerning Contractor's invoices. Moreover, PREPA requires that only professional services be billed on a time and material basis in accordance with Contractor's fixed hourly rates. Accordingly, PREPA should not be billed for the administrative tasks of creating, organizing, reviewing and/or updating files receiving, reviewing, and/or distributing mail; faxing or copying documents; converting information to disk, not directly related to the PREPA Contract.-----
- 7.2 PREPA will reimburse the Contractor for actual costs and expenses related to matters assigned to Contractor and for necessary and reasonable out-of-pocket disbursements, subject to the limitations and exceptions set forth below. The Contractor is expected to have a system in place that requires those who bill time and disbursements to PREPA matters do so promptly and accurately.-----
- 7.3 PREPA will not reimburse Contractor for: (a) costs included in a 'miscellaneous' or 'other' category of charges; (b) overhead costs and expenses-such as those relating to fees for time or overtime expended by support staff (secretaries,

administrative/clerical personnel, internal messengers, and other similar services), word processing and/or proofreading, cost of supplies or equipment, and/or other similar costs of doing business; (f) time spent attending education seminars or training programs; or (h) mark-ups or surcharges on any cost or expense. In addition, if communications are sent to PREPA using more than one communication media, PREPA does not expect to pay for the cost of both communications. For instance, if a piece of correspondence is sent to PREPA by email, we do not expect to pay for the cost of that same correspondence if it is also sent via regular or expedited mail.-----

7.4 PREPA will reimburse Contractor for separately itemized expenses and disbursements in the following categories:-----

7.4.1 Messenger/courier service - PREPA will reimburse actual charges billed to Contractor for deliveries (including overnight deliveries) where this level of service is required because of time constraints imposed by PREPA or because of the need for reliability given the nature of the items being transported. Appropriate summaries of messenger/courier expenses must reflect the date and cost of the service and the identity of the sender and the recipient or the points of transportation.-----

7.4.2 Travel - PREPA will reimburse actual charges for transportation and hotels reasonable and necessary for effective services to PREPA. PREPA will not pay for any first-class or business-class travel. Summaries of transportation

expenses should reflect the identity of the user, the date and amount of each specific cost, and the points of travel. Summaries of lodging expenses should include the identity of the person making the expenditure, the date and amount, and the nature of the expenditure.-----

Travel expenses reimbursement applies for personnel providing the services to PREPA, travel expenses for family members or guests are not chargeable to PREPA or reimbursable.-----

7.4.3 Air Travel - The cost of air travel will be reimbursed up to an amount that is no more than the advanced purchase of the lowest available economy airfare (including applicable taxes). The Contractor shall submit a copy of the original airline itinerary and paid invoice. Airfare may only be invoiced following completion of travel. In the event that a scheduled trip has to be cancelled or rescheduled by PREPA's order, PREPA will assume the cost of the penalty fee.-----

The Contractor shall submit a copy of the airline itinerary and paid invoice or airline receipt. Airfare may only be invoiced following completion of travel.-----

Airfare necessary to attend PREPA's official business will be paid by PREPA according to these guidelines.-----

7.4.4 Maximum Per Diem Rates (no proof of payment will be required) ---
Meals: - \$60 per person for each day for persons travelling or working in

Puerto Rico or other location as directed and approved by PREPA under the Contract.---Lodging (standard not smoking room): - \$250 per person, per night including government fees and taxes. The Contractor may use an economical alternative of lodging, including temporary rentals of apartments or rooms (Airbnb like rentals). For travel period longer than five days, temporary rentals shall be coordinated when this temporary rental (including all taxes and applicable fees) is less expensive than hotel accommodation, and evidence of said temporary rental shall be provided.-----

Ground Transportation in Puerto Rico: - Shall be reimbursable at cost, including Uber type services, taxis or car rentals (Rental cars requires a previous approval by PREPA) and associated driving expenses such as, but not limited to parking fees, highway tolls, and fuel.-----

7.4.5 Reimbursable expenses shall not exceed six percent (6%) of the Contract Price in one year and will be reimbursed by PREPA through the presentation of acceptable evidence for such expenses.-----

7.4.6 Photocopying/printing - PREPA will reimburse actual charges for in house or outside binding, and printing services and costs of photocopying services, which are not to exceed the actual five (5) cents per page for black and white copies, and twenty-five (25) cents per page for color copies. Summaries of expenditures for copying should reflect both the number of copies made and the cost per copy.-----

7.4.7 Third-Party Services - The approval of PREPA must be obtained in writing prior to retaining any third-party services. The Contractor shall be responsible for requiring that there are no conflicts of interest between any third party and PREPA or between any third-party clients and PREPA. In addition, all arrangements with third-party vendors should include an appropriate undertaking of confidentiality and data privacy. Invoices from third-party vendors should be paid directly by Contractor, incorporated into its invoice to PREPA and should include appropriate detail. Copies of third-party invoices may be requested by PREPA and should be retained in accordance with PREPA's guidelines.-----

7.4.8 PREPA reserves the right to question the charges on any bill within thirty (30) days of receipt of the bill, and to obtain a discount or refund of those charges that are not in compliance with the terms of the Contract. At PREPA's request, copies of bills and records reflecting reimbursable expenses that are not specifically listed in Article 7.4.4 as per diem shall be provided.-----

Article 8. Invoices

8.1 Contractor shall submit its invoices on a bi-weekly basis for the work already performed during the preceding two-week period. Contractor will provide to PREPA an invoice for each billing period which will include a description of the

services rendered and the number of hours spent by each person. The invoice for professional services shall be itemized and must be duly certified by an authorized representative of the Contractor.-----

8.2 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Contract, it will proceed with payment. Payment is due sixty (60) days of receipt of the invoice with all the supporting documents required. PREPA reserves the right to conduct the audits it deems necessary, and it will not be subject to finance charges regarding invoice payments subject to an audit. -----Lack of notice by PREPA of objection to an invoice within the sixty (60) day period shall evidence PREPA's agreement to all invoiced amounts. If payment on invoices is past due more than sixty (60) days, Contractor reserves the right, at its option, to terminate the Contract or the applicable SOW, or suspend the Services until payment is received. Contractor reserves the right to require payment of outstanding fees and expenses prior to the performance of any of the Services or the delivery of any work product. All costs of collection of amounts due and owing hereunder shall be paid by PREPA. -----

8.3 All invoices submitted by Contractor shall include the following Certification in order to proceed with its payment:-----

No Interest Certification:

"We certify under penalty of nullity that no public servant of PREPA will derive or obtain any benefit or profit of any kind from the contractual relationship which is the

basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the performance of the Services provided is the agreed-upon price that has been negotiated with an authorized representative of the PREPA. The total amount shown on this invoice for Contractor's time and expenses is true and correct. The Services have been rendered, and no payment has been received".

Contractor's Signature

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth above, Contractor shall require that subcontractors, if any approved by PREPA, providing Services also make the certification set forth above in any invoices submitted in connection with the Services. -----

Article 9. Transfer of Funds

- 9.1 If Contractor decides to assign or transfer an amount, due or payable, to which it is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.-----
- 9.2 Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this

Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract. -----

9.3 Contractor shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment.---

Article 10. Information and Material Facts

10.1 PREPA shall promptly provide to Contractor all information under the control of PREPA and necessary for Contractor to perform the Services under this Contract and those material facts that Contractor may reasonably require in order to provide its Services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the documents, data, and other information and material facts provided to Contractor, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and Contractor shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts. It is further understood that Contractor may be reviewing work product prepared by parties other than Contractor on behalf of PREPA, and accordingly, PREPA agrees that Contractor shall have no liability for

such third party work produce and agrees to hold harmless and indemnify Contractor for any and all claims, damages, demands, liability and costs (including attorney fees as incurred) arising from negligent acts, errors and omissions of the parties who prepared such work product. -----

10.2 PREPA will notify Contractor in writing of any developments of which PREPA becomes aware, and which PREPA considers may have a material effect with respect to the information and/or facts provided to Contractor. -----

10.3 PREPA shall promptly provide to Contractor all information to determine which among them will implement and maintain the various parts of the safety and health program, to ensure protection of all on-site workers before work begins. Include information to assess hazards and to avoid creating hazards that affect workers on the site.-----

10.4 The Contractor shall comply with all applicable laws, ordinances, rules, regulations and Occupational Safety and Hazard Act (OSHA) standards for the safety of personnel, equipment, property and to protect them from damage, injury or loss, and any other PREPA Safety additional requirements. The Contractor is responsible to provide to its personnel all the required safety equipment to comply with OSHA regulation.-----

Article 11. Information Disclosure and Confidentiality

11.1 The Parties shall take all reasonable steps to keep confidential and use only for the purposes contemplated by the terms of the Contract the information provided

by PREPA and/or Contractor, and take all reasonable steps to ensure that such information is not disclosed or distributed by its employees or agents in violation of the terms of this Contract.-----

11.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by Contractor or under its control by reason of its consulting services, and that upon termination of this Contract each Party will turn over to the other all documents, papers, and other matters in its possession or under its control that relate to the other Party. Contractor may retain one file copy for its records.-----

11.3 The term “confidential information” shall include, but not be limited to, all information provided to Contractor by PREPA or at PREPA’s direction regarding its facilities or operations and any and all information gathered or developed by Contractor regarding the same. The Parties further agree that proprietary records and documents related to Contractor’s business operations are confidential to Contractor and will not be disclosed to PREPA or other Parties, except as ordered by the court. The Parties agree that PREPA will resist any attempt by opposing counsel or other Parties to obtain Contractor’s proprietary information. The term “confidential information”, however, will not include information that:-----

- (i) is or becomes public other than through a breach of this Contract;---

- (ii) is known to the receiving Party prior to the date of this Contract and with respect to which the receiving Party does not have any obligation of confidentiality; or-----
- (iii) is independently developed by the receiving Party without use of, or reference to, confidential information.-----

11.4 The Parties acknowledge that disclosure of any confidential information by either Party will give rise to irreparable harm to the injured Party inadequately compensable in damages. . Accordingly, either Party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies, which may be available.----

11.5 If this Contract terminates for any reason, Contractor shall maintain in strictest confidence both; during the term of this Contract and subsequent to termination of this Contract, and shall not during the term of this Contract or thereafter disclose or divulge to any person, firm, or corporation, or use directly or indirectly, for its own benefit or the benefit of others, any information which in good faith and good conscience ought to be treated as confidential information including, without limitation, information relating to PREPA's operations or trade secrets relating to the business or affairs of PREPA which Contractor may acquire or develop in connection with or as a result of the performance of the Services hereunder. In the event of an actual or threatened breach by Contractor of the provisions of this paragraph, PREPA shall be entitled to injunctive relief for such breach. Nothing

herein shall be construed as prohibiting PREPA from pursuing any other legal remedies available, including the recovery of damages from Contractor.-----

- 11.6 The above provisions do not apply with respect to information, which Contractor is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Contractor shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Contractor agrees to expeditiously notify and submit to PREPA a copy of any court order or subpoena and to the extent possible provide any assistance to PREPA (in the form of documents) regarding the submission of such information. If access to any of the materials and information in Contractor's possession relating to this Contract are sought by a third party, or any of its professionals are requested or compelled to testify as a fact witness in any legal proceeding related to this Contract, by subpoena or otherwise, or it is made a party to any litigation related to this Contract, Contractor will either tender to PREPA its defense responding to such request and cooperate with PREPA concerning Contractor's response thereto or retain counsel for its defense. In such event, PREPA shall compensate Contractor at its standard billing rates for its professional fees and reimburse Contractor's expenses, including reasonable attorneys' fees (internal and external), involved in responding to such action. -----
- 11.7 With respect to this Contract and any information supplied in connection with this Contract and designated by the disclosing Party as confidential, the recipient

agrees to: (i) protect the confidential information in a reasonable and appropriate manner and in accordance with applicable professional standards; (ii) use confidential information only to perform its obligations under this Contract; and (iii) reproduce confidential information only as required to perform its obligations under this Contract.-----

Article 12. Rights and Titles

- 12.1 The Contractor will submit any reports reasonably required by PREPA regarding the Services performed under this Contract. If required by PREPA, at the completion of any assigned task, the Contractor will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of Contractor's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----
- 12.2 Except as to Contractor Property, all rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by the Contractor exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA for its internal business purposes and the purposes intended under the proposal. The Contractor shall retain all right, title, and interest in and to proprietary works of authorship, pre-existing or otherwise, that have not been created specifically for PREPA under this Contract, as well as materials developed during the Contract which are of general application and do not contain PREPA proprietary materials,

including the models provided to PREPA system study groups (collectively, “Contractor Property”). Contractor grants PREPA a limited, non-exclusive, non-transferable, royalty-free license to use Contractor Property in connection with the subject of this Contract. With the exception of items marked as “CONFIDENTIAL” by the Contractor, PREPA shall retain the right to use, refer, share, or provide to any third party, as PREPA may determine, the results of any reports, documents, analyses, investigations or any other by-product of the Services performed by the Contractor under this Contract for the purpose intended under the proposal.-----

Article 13. Copyright

Contractor and PREPA shall jointly defend any suit or action brought against either party based on a claim that any document, report, study, analysis, copyrighted composition, article or any by-product of those, either used in the performance of the Services by Contractor or provided to PREPA by Contractor as part of its Services, or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States. The Party of this Contract subject to the claim or that becomes aware of a potential claim shall promptly notify in writing the other Party of this Contract, and give the authority, information, and assistance reasonable and necessary for the defense of such claim.-----

Article 14. Warranty

14.1 Contractor warrants that it shall perform the Services in accordance with the applicable standards of care and diligence at the time of performance of the

Services, and which are normally practiced and recognized in performing services of a similar nature (the "Standard"). Should any of the Services provided by Contractor not fulfill the above established Standard, Contractor shall take all necessary corrective measures to rectify such deficient Services, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient Services by Contractor shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law or equity for any damages that Contractor's may have caused to it by rendering such deficient Services, provided that written notice of any deficiencies is given to the Contractor within one year following the delivery of the Services in question.--

14.2 No other warranty, express or implied, including any implied warranties of merchantability or fitness for a particular purpose, is made or intended by this Contract, by furnishing oral or written reports of findings made, or by any other act of Contractor. Contractor will not audit any financial statements or perform any attest procedures in the course of performing the Services under this Contract. Contractor's Services are not designed, nor should they be relied upon, to disclose internal weaknesses in internal controls, financial statement errors, irregularities, illegal acts or disclosure deficiencies. Contractor is not a professional accounting firm, does not practice accounting and will not provide audit or attest services. Contractor 's Services will not include legal, engineering or architectural advice or services. -----

Article 15. Responsibility for Damages

The appearing Parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.-----

Article 16. Independent Contractor

16.1 Contractor shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by Contractor for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA.-----

16.2 As an independent contractor, Contractor shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled.-----

Article 17. Employees not to Benefit

No officer, employee or agent of PREPA, nor of the Government of the Commonwealth of Puerto Rico or its Municipal Governments shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom.-----

Article 18. Conflict of Interest

18.1 Contractor certifies that none of its representatives under this Contract receive payment or compensation of any nature, for the services regularly rendered through an appointment in another government agency, body, public corporation or municipality of Puerto Rico. Contractor also certifies that it may have other

consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for Contractor.-----

18.2 Contractor acknowledges that in executing its services pursuant to this Contract it has a duty of complete loyalty towards PREPA with regard to the services under this Contract which includes not having conflict of interest. "Conflict of Interest" means representing clients who have or may have interests that are contrary to PREPA, but does not include rendering services that are unrelated to the services covered in this Contract. Also, Contractor shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons that would result in a conflict of interest which would influence the Contractor when performing its responsibilities under this Contract. If the Contractor is required to provide services to another entity of the Executive Branch under the provisions of Article 30 and such services could result in a conflict of interests, the Contractor will notify PREPA in writing as provided in this article. ----

18.3 The Parties understand and agree that a conflict of interest exists when Contractor must advocate a position or outcome on behalf of any existing or future client that is contrary to PREPA's interests in relation to the subject matter of this Contract. Also, any conduct defined in the Rules of Professional Conduct regarding conflict of interests shall apply to Contractor and its personnel.-----

18.4 In the event that any of the partners, directors, agents or employees of Contractor engaged in providing services under this Contract should incur in the conduct

described herein, said conduct shall constitute a violation of the prohibitions provided herein.-----

18.5 Contractor's partners, directors, agents or employees and personnel shall avoid even the appearance of the existence of conflicting interests.-----

18.6 Contractor acknowledges that PREPA's Chief Executive Officer shall have the power to intervene with the acts of Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that the existence of adverse interests is discovered, the PREPA's Chief Executive Officer shall inform Contractor in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, Contractor may request a hearing with the Chief Executive Officer to present its arguments regarding the alleged conflict of interests. In the event that Contractor does not request such hearing during the specified thirty (30) day period or the controversy is not satisfactory settled during the hearing, this Contract shall be canceled.-----

18.7 The Contractor certifies that, at the time of the execution of this Contract, it does not have nor does it represents anyone who has Conflict of Interests with PREPA in relation to the subject matter of this Contract. If such Conflict of Interest arises after the execution of the Contract, the Contractor shall notify PREPA immediately.-----

Article 19. Notices

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent postage prepaid, by registered, certified or express mail (return receipt requested) or reputable overnight courier service and shall be deemed given when so delivered by hand, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) to the Parties to the following addresses:-----

To PREPA: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: Efran Paredes Maisonet
Chief Executive Officer

To Contractor: Guidehouse, Inc.
Metro Office Park
1 Valencia Way, Suite 200
Guaynabo, PR 00968

Attention: Hector Artze
Partner
1800 Tysons Blvd., 7th Floor
McLean, VA 22102

Article 20. Applicable Law and Venue

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the Parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract.-----

Article 21. Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which cause an increase in Contractor's costs when providing the services, shall be Contractor's responsibility and PREPA shall not be obligated to increase the Contract Amount.-----

Article 22. Force Majeure

22.1 The Parties shall be excused from performing their respective responsibilities and obligations under this Contract and shall not be liable in damages or otherwise, if and only to the extent that they are unable to perform or are prevented from performing by a force majeure event. -----

22.2 For purposes of this Contract, force majeure means any cause without the fault or negligence, and beyond the reasonable control of, the Party claiming the occurrence of a force majeure event.-----

22.3 Force majeure may include, but not be limited to, the following: Acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority; provided that these events, or any other claimed as a force majeure event, and/or its effects, are beyond the reasonable control and without the fault or negligence of the Party claiming the force majeure event, and that such Party, within ten (10) days after the occurrence of the alleged force majeure, gives

the other Party written notice describing the particulars of the occurrence and its estimated duration. The burden of proof as to whether a force majeure event has occurred shall be on the Party claiming the force majeure.-----

Article 23. Novation

23.1 The Parties expressly agree that no amendment or change order, which could be made to the Contract during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing.-----

23.2 The previous provision shall be equally applicable in such other cases where PREPA gives Contractor a time extension for the compliance of any of its obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. -----

Article 24. Severability

If a court of competent jurisdiction declares any of the Contract provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of this Contract and the Parties agree to comply with their respective obligations under such provisions not included in the judicial declaration.-----

Article 25. Save and Hold Harmless; Limitation of Liability

The Contractor agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including reasonable attorneys' fees) incurred by PREPA arising out of any third party claim made by any person for bodily injuries, including death, or for property damage, to the extent directly caused by the Contractor

by the negligent act or omission, in the performance or nonperformance of its obligations under the Contract, but not to the point directly caused by negligence or tort of PREPA or a third party, which is not an employee or subcontractor of the Contractor.-----

With respect to any indemnity set forth in this Contract, each indemnity shall give prompt notice of its receipt of any threat, indication or other notice of any claim, investigation or demand that might give rise to any losses required to be indemnified hereunder and shall reasonably cooperate in the defense of such claim. The indemnifying party shall have the right to conduct defense of such action at its sole expense.-----

Except as to the above indemnity in this Article 25, neither Contractor, nor its suppliers shall be liable, whether in contract, warranty, failure of a remedy to achieve its intended or essential purposes, tort (including negligence), strict liability, indemnity or any other legal theory, for loss of use, revenue or profit, or for costs of capital or of substitute use or performance, or for indirect, special, liquidated, incidental or consequential damages, or for any other loss or cost of a similar type, or for claims by PREPA for damages of PREPA's customers. Contractor's maximum liability under this Contract shall be the maximum Contract Amount. PREPA and Contractor agree that the exclusions and limitations set forth in this article are separate and independent from any remedies which PREPA may have hereunder and shall be given full force and effect whether or not any or all such remedies shall be deemed to have failed of their essential purpose. -----

Article 26. Insurance

The Contractor shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:-----

1. Commonwealth of Puerto Rico Workmen's Compensation Insurance:-----

The Contractor shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico.

The Contractor shall also be responsible for compliance with said Workmen's Compensation Act by all its sub-contractors, agents, and invitees, if any.-----

The Contractor shall furnish a certificate from the Puerto Rico State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.-----

2. Employer's Liability Insurance:-----

The Contractor shall provide Employer's Liability Insurance with a minimum bodily injury limits of at least \$1,000,000 for each employee and at least \$1,000,000 for each accident covering against the liability imposed by Law upon the Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.-----

3. Commercial General Liability Insurance:

The Contractor shall provide a Commercial General Liability Insurance with limits of at least \$1,000,000 per occurrence and at least \$1,000,000 aggregate. -----

4. Commercial Automobile Liability Insurance:-----

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of at least \$1,000,000 combined single limit covering, non-owned autos, and hired automobiles.-----

5. Professional Liability Insurance:-----

The Contractor shall provide a Professional Liability Insurance with limits of at least \$1,000,000 per claim and at least \$1,000,000 aggregate. -----

Requirements under the Policies:-----

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:-----

a. As Additional Insured:

Puerto Rico Electric Power Authority (PREPA)
Risk Management Office
PO Box 364267
San Juan, Puerto Rico 00936-4267

b. A cancellation or nonrenewable notice to be sent to the above address in accordance with the applicable policy provisions.-----

c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and Parties to the contract.-----

d. Waiver of subrogation in favor of Puerto Rico Electric Power Authority (PREPA).

e. Separation of Insureds Clause:-----

“The Description of Operations/Locations/Vehicles section of the certificate of insurance will include the following remark: Separation of Insureds Clause is included in the Commercial General Liability Insurance and Commercial Automobile Liability Insurance.”-----

Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.-----

The Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.-----

Article 27. Compliance with the Commonwealth of Puerto Rico Contracting Requirements

The Contractor will comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico, including but not limited to: -----

- A. Executive Order Num. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, the Contractor will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last

five (5) years. The Contractor further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA, and whenever requested by PREPA during the term of this Contract, the necessary documentation to support its compliance with this clause. The Contractor will be given a specific amount of time to produce said documents. During the term of this Contract, the Contractor agrees to pay and/or to remain current with any payment plan agreed to by the Contractor with the Government of Puerto Rico.-----

B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico. Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor will certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every subcontractor, if any approved by PREPA, whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.-----

C. Government of Puerto Rico Municipal Tax Collection Center: The Contractor will certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as *Centro de Recaudación de Ingresos Municipales* ("CRIM")). The Contractor further will certify to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA and whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Contractor does not owe any tax accruing to such governmental agency. To request such Certification, Contractor will use the form issued by the MRCC (called "*CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos*" in the website). The Contractor will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico with regards to its property taxes.-----

The Contractor shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Contractor has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Contractor indicating that (i) its revenues are derived from the rendering of

professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended, and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.-----

D. The Contractor shall furnish a Certification issued by the Treasury Department of Puerto Rico which indicates that Contractor does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms.-----

E. The Contractor shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods. -----

F. The Contractor shall provide a copy of Contractor's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico. -----

G. Puerto Rico Child Support Administration (*ASUME*): The Contractor shall present, to the satisfaction of PREPA, the necessary documentation certifying that the Contractor nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the

Administración Para El Sustento de Menores (ASUME). The Contractor will be given a specific amount of time to deliver said documents. 3 L.P.R.A. § 8611 et seq.-----

- H. The Contractor shall provide a Good Standing Certificate issued by the Department of State of Puerto Rico.-----
- I. The Contractor shall provide a Certification of Incorporation, or Certificate of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico.-----
- J. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one point five percent (1.5%) of the gross amounts paid under this Contract.-----
- K. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.-----
- L. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non-US citizens, which are nonresidents of the Commonwealth of Puerto Rico the Contractor will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda de Puerto Rico*). The Contractor

will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. Act 1-2011, section 1062.03.-----

M. Compliance with Act No. 1 of Governmental Ethics: The Contractor will certify compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;-----

N. Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 "*Law for the Strengthening of the Family Support and Livelihood of Elderly People*" in Spanish: "*Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada*", 3 L.P.R.A. §8611 et seq.-----

O. Law 127-2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is

properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law 18 of October 30, 1975, as amended.-----

P. Prohibition with respect to execution by public officers: 3 L.P.R.A. 8615(c): No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.-----

Q. Prohibition with respect to contracting with officers or employees: 3 L.P.R.A. 8615(d): No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.-----

R. Prohibition with respect to contracts with officers and employees of other Government entities: 3 L.P.R.A. 8615(e): No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.-----

S. Prohibition with respect to evaluation and approval by public officers:

3 L.P.R.A. 8615(f): No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.-----

T. Prohibition with respect to execution by public officers' contracts with former public officers:

3 L.P.R.A. 8615(h): No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.-----

U. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.-----

V. Rules of Professional Ethics: The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.-----

W. Provisions Required under Act 14-2004: Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.-----

If any of the previously required Certifications shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor will certify that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.-

Article 28. Anti-Corruption Code for a New Puerto Rico

Contractor agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents.-----

Contractor shall furnish a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.-----

Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the

Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

Consequences of Non-Compliance: The Contractor expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for the PREPA

to render this Contract null and void, and the Contractor shall reimburse the PREPA all moneys received under this Contract.-----

Article 29. Dispute Resolution

Executive Negotiation: Any unresolved disputes shall be referred to the Contracting Officer, Project Manager or designee by PREPA and Contractor for resolution. During the first thirty (30) days following the delivery of a notice of dispute (and during any extension agreed to by the Parties in writing, the “Negotiation Period”) the Parties shall attempt in good faith to resolve the dispute through negotiations. If such negotiations result in an agreement in principle to settle the dispute, they shall cause a written settlement agreement to be prepared, signed and dated (an “Executive Settlement”), and the dispute shall be deemed settled, and not subject to further dispute resolution. If a dispute is not resolved through the Executive negotiation, the Parties agree to resolve the dispute according to the jurisdiction established in the Choice of Law and Venue Article of the Contract.-----

Article 30. Termination by the Chief of Staff of the Governor of Puerto Rico and Interagency Agreements

Pursuant to Memorandum No. 2017-001, Circular Letter 141-17, of the Office of the Chief of Staff of the Governor of Puerto Rico (*Secretaría de la Gobernación*) and the Office of Management and Budget (*Oficina de Gerencia y Presupuesto – OGP*), the Chief of Staff shall have the authority to terminate this Contract at any time. If so directed by the Chief

of Staff, PREPA will terminate this Contract by delivering to the Contractor a notice of termination specifying the extent to which the performance of the work under this Contract is terminated, and the effective date of termination. Upon the effective date of termination, the Contractor shall immediately discontinue all services affected and deliver to PREPA all information, studies and other materials property of PREPA. In the event of a termination by notice, PREPA shall be liable only for payment of services rendered up to and including the effective date of termination.-----

Both Parties acknowledge and agree that the contracted services herein may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Office of the Chief of Staff. These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Contract. For the purpose of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as all public instrumentalities and public corporations.-----

Article 31. Non-Discrimination

The Contractor agrees that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information. -----

Article 32. Safety

All work performed must be in compliance to 29 CFR 1910 and 29 CFR 1926, and any additional safety PREPA requires.-----

Article 33. Entire Contract

The terms and conditions contained herein constitute the entire agreement between PREPA and Contractor with respect to the subject matter of this Contract, and supersede all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Contract.-----


IN WITNESS THEREOF, the Parties hereto sign this Contract in San Juan, Puerto Rico this 29 day of Jan, 2021. -----

Puerto Rico Electric Power Authority



Efran Paredes Maisonet
Executive Director
Tax ID: 660-43-3747

Guidehouse, Inc.



Hector Artze
Partner
Tax ID: 36-4094854

Puerto Rico Electric Power Authority

Contractor Certification Requirement

The following certification shall be provided to the Puerto Rico Electric Power Authority by the Chief Executive Officer (or equivalent highest rank officer) of each proposed contractor under contracts submitted for review:

1. The expected contractor's subcontractor(s) in connection with the proposed contract¹ is (are) the following:

Guidehouse, Inc

(Name of individual or firm, including names of principals or owners of the latter)
(Principal terms and conditions of the contractual relation and role of the subcontractor) (Amount of proposed contract payable to each subcontractor)

2. Neither the contractor nor any of its owners,² partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

None

(Name of individual or firm, including names of principals or owners of the latter)
(Principal terms and conditions of the compensation sharing arrangement and consideration for such benefit)

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.
4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with

¹As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

²For purposes of this certification, a contractor's "owner" shall mean any person or entity with more than a ten percent (10%) ownership interest in the contractor.

contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

5. Neither the contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.
6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract and the contractor must reimburse immediately to the Puerto Rico Electric Power Authority any amounts, payments or benefits received from the Puerto Rico Electric Power Authority under the proposed contract.

The above certifications shall be signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:

"I hereby certify under penalty of perjury that the foregoing is complete, true and correct."

By: Hector Artze

Date: 29 January, 2021

Signature:  _____